

# Committee on Resources

## Subcommittee on Forests & Forest Health

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### Testimony

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**National Forest Counties and Schools Coalition**  
**Testimony by Bob Douglas before House Committee on Resources**  
**July 13, 1999**  
**Washington, D.C.**

Thank you for the opportunity to provide testimony in support of HR 2389. This bill is based upon and reflects the principles upon which the National Forest Counties and Schools Coalition is based (see Appendix A). The National Forest Counties and Schools Coalition is a rapidly -rowing collaborative of over 500 organizations from 32 states. My office currently administers the Coalition and I serve as the Chief Administrative Officer.

Mr. Chairman, I would like to enter into the record, a list of those organizations which support the National Forest Counties and Schools Coalition Principles and this legislation. Our organization has grown very rapidly since it was founded in March 1999. This is primarily due to the fact that the citizens in our eight hundred (800) forest counties in America, all of whom are represented by organizations in our Coalition, are having a common experience. As forest related communities, they are all enduring economic instability as a result of the precipitous decline in resource based activities on federal forest lands, devastating social disruption, and decimated public school and county services .

Nationally, U.S. Forest Reserve receipts have declined by 65% since 1989, (See Appendix B). In the seventy (70) forest counties which are protected by the Northwest Forest Plan, the declines have been approximately 21% to date. However, in our 730 forest counties not protected in the Northwest Plan, the declines in receipts have ranged from 75-90% (See Appendix Q).

Public schools and county governments have, out of necessity, slashed programs and services. Five to ten years of steeply declining receipts have literally eviscerated the breadth and quality of school and county services in most of these counties.

In a urban or suburban setting, wherein, the vast majority of property is private or industrial, it is possible to raise offsetting revenues through a variety of local taxes and/or assessments. In forest counties where 50-96% of the land is non-taxable federal forest land, this possibility simply does not exist. Given the exceptionally small non-federal land base, it is impossible to locally offset the loss of Forest Reserve or 0 & C BLM receipts.

This fact was recognized by the Congress and the Founders of our federal forest system. Almost one hundred years ago when our National Forest system was formed, huge blocks of land were set aside to be Federal Forest Reserves. These lands were removed from the possibility of private ownership, revenue production, and local tax generation for county government and schools. Not surprising, there was a hue and cry from forest counties nationwide about the local economic impact. Gifford Pinchot, Congress, and the President agreed that 25% of the annual revenue from the management of these federal forest lands would

be given to schools and counties as mitigation for the effects of this land removal.

This was a "Compact With The People of Our Rural Forest Counties. These funds have been, for almost 100 years, a mainstay of support for rural schools and counties. The Compact was honored and protected until the late 1980's, when by federal agency policy, administrative regulation, and injunction, the active management of our National Forest System was severely restricted. During the last decade, this historic Compact with the People of our forest counties has been broken and disregarded.

For these reasons, HR 2389 proposes a two-phase solution to revitalize county and school support. First, it proposes a short-term safety-net for our forest counties designed to protect public schools and county services over the next five years. Given the economic and social deterioration in these counties, it is absolutely essential that we revitalize and stabilize their infrastructures. Second, in order to address the larger and more significant systemic problem, which includes, not just school and county government support, but also the economic and social health of our communities, and the health and sustained multiple use of our federal forest lands, we are proposing the creation of a National Committee appointed by Congress to develop recommended legislation and/or policy revisions. These recommendations will emphasize increasing receipt generation, minimizing adverse budget impacts, promoting economic benefits to schools and counties, while simultaneously ensuring healthy, long-term sustained use of our National Forest lands.

We strongly believe that these recommendations can and should be formulated during the first three years of the safety-net and then submitted to the Administration and Congress for their consideration. It is further our belief that these recommendations should be enacted into law within two years of their receipt by Congress.

A focused national conversation devoted to defining a long-term solution to our federal forest management practices and their resultant effects upon long-term sustainable forest health, community economic and social stability, and the vitality and effectiveness of school and county infrastructures is critically needed in our country. This bill provides such a mechanism. This is a systemic problem and it must be solved with a systemic solution. The current laws regarding payments to states should remain untouched. Specifically, the Coalition is adamantly opposed to decoupling or disconnecting county and school payments from actual gross forest receipts. We believe that the U.S. Forest Service and the Bureau of Land Management must continue to have incentives to manage the National Forests for the production of materials for the nation, to generate resources for the Treasury and payments to counties and schools and be diligent about the active healthy management of our National Forests. It is possible to have sustained-yield multiple-use forests which produce materials for our Nation, revenue to support local community infrastructures, provide the economic and social vertebrae for local communities, and simultaneously provide wildland fire protection, pure watersheds to sustain our urban and suburban population centers, and maintain ecologically healthy forests. These are mutually compatible and not mutually exclusive goals. There are those in our society today that are spending millions of dollars on advertising, public relations, and legal fees to convince us that this is an "either/or situation" when in reality, we know that these goals are **compatible**. Consequently, we strongly believe that payments to counties and schools, unconnected from the corollary improvement in economic self-determination and improved social conditions will not work. Likewise, neither will payments to counties work, which are unconnected to incentives to actively manage on a sustained basis, the dominant economic asset in forest counties-the forest land itself. All of these factors are connected parts of an ecological, economic and social system, and any long-term solution must achieve a balance between these factors.

We believe that this can and must be done for the benefit of our rural counties and schools and the long-term health of our federal forests. The Forest Counties and Schools Coalition urges your support of HR 2389. It meets the immediate needs of forest counties and schools while providing a blueprint for the construction of a long-term solution to our current forest management gridlock and its attendant consequences.

Thank you.

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